

COUNTY OF YORK

MEMORANDUM

DATE: September 30, 2002 (BOS Mtg. 10/15/02)

TO: York County Board of Supervisors

FROM: James O. McReynolds, County Administrator

SUBJECT: Grant Contract Extension for the VIDA Program

Background

In July 2000, York County successfully competed for a \$100,000 grant under the Virginia Individual Development Account Program (VIDA), which is administered by the Commonwealth's Department of Housing and Community Development (DHCD). The VIDA program is used in conjunction with self-sufficiency activities for families participating in York County's federally funded rental subsidy programs. This grant provides a \$2.00 match for each \$1.00 saved by participants. The maximum match per family is \$4,000 over a two-year period. Families can apply the combined savings to educational costs, the down payment on the purchase of a home or for starting a small businesses.

Since August 2000, the Division of Housing and Neighborhood Revitalization of the Community Services Department has administered the VIDA program. This grant extends and significantly enhances the Division's ongoing programs and activities. There is no local match requirement and no additional staff has been required to implement this grant. To date, two participants have completed the program: one in the Homeownership track, another from the Education track.

From the onset, implementation of the grant was delayed as clarification regarding eligibility and other program guidelines was sought from the Department of Housing and Community Development. Due to those delays, participants were not afforded the full two-years proposed under the grant to maximize their savings. In light of those initial set backs, the Department of Housing and Community Development has extended the grant period through April 30, 2003. This will allow programs a full two-year implementation period. The extension does not increase the initial funding amount of the grant. It allows additional time to utilize the initial award of \$100,000.

In conjunction with the grant contract extension, DHCD has outlined some revised draw down policies for participant match funds. Specifically, DHCD is directing the five demonstration sites to draw down participant match funds on a quarterly basis and maintain those funds in an escrow account until such time as the participants complete the program.

DHCD has requested a resolution from the Board acknowledging the extension through April 30, 2003 and the new draw down policy. As such, the attached resolution is proposed for your consideration.

The York County VIDA program has been very successful. Only five individuals in the Commonwealth have completed the program to date. Two participants were from York's program. One purchased a home and one completed the program under the educational category. Further, an additional 18 individuals remain enrolled in the County's program. They are actively preparing for self-sufficiency and saving in the categories of education, home ownership, and small business start-up.

Recommendation

I recommend adoption of Resolution R02-171 to extend the Virginia Individual Development Account Program through April 30, 2003.

Smith/4111

Attachments

- ? Proposed Resolution R02-171
- ? Correspondence from DHCD re: contract extension
- ? Daily Press Article "*Program helps turn ambitions into reality*"
- ? Resolution R00-119